

117TH CONGRESS
1ST SESSION

S. 1225

To amend the Higher Education Act of 1965 to require institutions of higher education to report revenue generated by each sports team, and for other purposes.

IN THE SENATE OF THE UNITED STATES

APRIL 20, 2021

Mr. MURPHY introduced the following bill; which was read twice and referred to the Committee on Health, Education, Labor, and Pensions

A BILL

To amend the Higher Education Act of 1965 to require institutions of higher education to report revenue generated by each sports team, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-
2 tives of the United States of America in Congress assembled,*

3 SECTION 1. SHORT TITLE.

4 This Act may be cited as the “Standardization of Col-
5 legiate Oversight of Revenues and Expenditures Act” or
6 the “SCORE Act”.

1 SEC. 2. REPORTING BY INSTITUTIONS OF HIGHER EDU-
2 CATION ON ATHLETIC REVENUE AND EX-
3 PENSES.

4 Section 485(g) of the Higher Education Act of 1965
5 (20 U.S.C. 1092(g)) is amended—

(1) in paragraph (1), by adding at the end the following:

8 “(K) In the case of an institution that is
9 a member of division I of the National Colle-
10 giate Athletic Association, the amount of rev-
11 enue generated by each of the following cat-
12 egories, disaggregated by each sports team, if
13 applicable:

14 “(i) Ticket sales.

16 “(iii) Distributions from any other
17 intercollegiate athletic association, con-
18 ference, or tournament.

19 “(iv) Appearance guarantees and op-
20 tions.

“(v) Contributions from alumni and
others.

1 “(viii) Broadcast and media rights,
2 reported separately for television, radio,
3 Internet, and print.

4 “(ix) Royalties, advertising, and spon-
5 sorship.

6 “(x) Sports camps.

7 “(xi) Endowment and investment in-
8 come, reported separately for each source
9 of such income.

10 “(xii) Direct institutional support.

11 “(xiii) Indirect institutional support
12 for facilities, services, and administrative
13 support.

14 “(xiv) Direct government support, re-
15 ported separately by State government,
16 local government, Federal Government.

17 “(L) In the case of an institution that is
18 a member of division I of the National Colle-
19 giate Athletic Association, the expenses attrib-
20 utable to each of the following categories,
21 disaggregated by each sports team, as applica-
22 ble:

23 “(i) Grants-in-aid.

24 “(ii) Guarantees and options.

1 “(iii) Total salaries and benefits, and
2 salaries and benefits paid by the institution
3 and by third parties, respectively, to head
4 coaches, to assistant coaches, and for ad-
5 ministrative salaries.

6 “(iv) Severance pay.

7 “(v) Team travel.

8 “(vi) Recruiting.

9 “(vii) Equipment, uniforms, and sup-
10 plies.

11 “(viii) Fundraising.

12 “(ix) Marketing and promotion.

13 “(x) Game expenses.

14 “(xi) Medical, including—

15 “(I) medical personnel salaries;
16 and

17 “(II) medical treatment of ath-
18 letes.

19 “(xii) Membership dues.

20 “(xiii) Sports camps.

21 “(xiv) Spirit groups.

22 “(xv) Transfers to the institution.

23 “(xvi) Debt service payments.

24 “(xvii) Athletic facility maintenance
25 and rental.

1 “(xviii) Indirect facilities and adminis-
2 trative support.

3 “(xix) Education and general expenses
4 of the institution—

5 “(I) including instruction, re-
6 search, public service, academic sup-
7 port, student services, instructional
8 support, and scholarships and fellow-
9 ships; and

10 “(II) which do not include ex-
11 penses with respect to auxiliary enter-
12 prises, hospitals, or independent oper-
13 ations.”;

14 (2) in paragraph (5)—

15 (A) by striking “the term” and inserting
16 the following:

17 “(A) the term”;

18 (B) by striking the period at the end and
19 inserting “; and”; and

20 (C) by adding at the end the following:

21 “(B) the terms listed in each of the cat-
22 egories under subparagraphs (K) through (L)
23 of paragraph (1) shall be defined by the Sec-
24 retary by regulation, developed in consultation
25 with the Secretary of the Treasury and the task

1 force described in paragraph (6)(A), and such
2 definitions shall be updated in accordance with
3 paragraph (6)(B).”; and

4 (3) by adding at the end the following:

5 “(6) TASK FORCE; DEFINITION UPDATES.—

6 “(A) TASK FORCE.—The Secretary shall
7 appoint a task force of nonprofit and higher
8 education accounting experts, professionals, and
9 organizations representing institutions of higher
10 education that are members of division I of the
11 National Collegiate Athletic Association.

12 “(B) UPDATING DEFINITIONS.—The Sec-
13 retary, on a biannual basis and in consultation
14 with the task force described in subparagraph
15 (A), shall review each definition under para-
16 graph (5)(B) and, if necessary, update such
17 definition in accordance with generally accepted
18 accounting principles or significant changes in
19 the national system of intercollegiate athletics.

20 “(7) SPECIAL RULE.—An institution of higher
21 education that submits the information described in
22 subparagraphs (K) through (L) of paragraph (1) to
23 an intercollegiate athletic association for an aca-
24 demic year, and such information is verified by an
25 independent audit and certified by the chancellor of

1 the institution, may, in lieu of submitting such information
2 under paragraph (1), request such association to directly submit such information to the Secretary on behalf of the institution for such academic
3 year.”.

6 **SEC. 3. PROGRAM REQUIREMENTS.**

7 Section 487(a) of the Higher Education Act of 1965
8 (20 U.S.C. 1094(a)) is amended by adding at the end the
9 following:

10 “(30)(A) In the case of an institution that is a member of division I of the National Collegiate Athletic Association, such institution will not be a member of such association or participate in any inter-collegiate athletics competition organized by any person, unless such association or person reports, on an annual basis, to the Secretary the following, disaggregated by sport, athletic event, or contract, as applicable:

19 “(i) Total generated revenue and amount of revenue generated by each of the following categories:

22 “(I) Total ticket sales.

23 “(II) Distributions from other inter-collegiate athletic organization or person.

25 “(III) Cash contributions.

1 “(IV) Dues and other assessments
2 from member institutions of higher edu-
3 cation.

4 “(V) Third-party support.

5 “(VI) Merchandise.

6 “(VII) Concessions, programs, and
7 novelties.

8 “(VIII) Broadcast and media rights,
9 reported separately for television, radio,
10 Internet, and print.

11 “(IX) Endowment and investment in-
12 come, reported separately for each source
13 of such income.

14 “(X) Other corporate sponsorship.

15 “(XI) Royalties, advertising, and
16 sponsorship.

17 “(XII) Net assets.

18 “(XIII) Direct government support,
19 reported separately by State government,
20 local government, or Federal Government.

21 “(XIV) Any other category deter-
22 mined appropriate by the Secretary.

23 “(ii) Amount of expenses attributable to
24 each of the following categories:

- 1 “(I) Disbursements to institutions of
2 higher educations, athletic conferences, or
3 other persons.
- 4 “(II) Salaries and benefits.
- 5 “(III) Severance pay.
- 6 “(IV) Equipment, uniforms, and sup-
7 plies.
- 8 “(V) Fundraising.
- 9 “(VI) Marketing and promotion.
- 10 “(VII) Game expenses.
- 11 “(VIII) Medical, including—
- 12 “(aa) medical personnel salaries;
- 13 and
- 14 “(bb) medical treatment of ath-
15 letes.
- 16 “(IX) Facility construction.
- 17 “(X) Facility maintenance and rental.
- 18 “(XI) Capital investment.
- 19 “(XII) Debt service payments.
- 20 “(XIII) Charitable donations.
- 21 “(XIV) Any other category deter-
22 mined appropriate by the Secretary.
- 23 “(iii) Executive compensation schedules.
- 24 “(B) The Secretary shall—

1 “(i) define by regulation, developed in con-
2 sultation with the Secretary of the Treasury
3 and the task force described in section
4 485(g)(6)(A), the terms listed in each of the
5 categories under subparagraph (A); and

6 “(ii) on a biannual basis and in consulta-
7 tion with such task force, review each definition
8 under clause (i) and, if necessary, update such
9 definition in accordance with generally accepted
10 accounting principles or significant changes in
11 the national system of intercollegiate ath-
12 letics.”.

